

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO. 3692-01
BILL NO. HB1698
SUBJECT: St. Louis: Law Enforcement, Salaries
TYPE: Original
DATE: February 8, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 1999	FY 2000	FY 2001
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 1999	FY 2000	FY 2001
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 1999	FY 2000	FY 2001
Local Government	(\$8,800,000)	(\$10,300,000)	(\$12,000,000)

Numbers within parentheses: () indicate costs or losses

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

City of St. Louis officials stated that the proposed legislation does not specify proposed salary increases for Police Officers beyond FY 2001, however, officials stated that the legislation does not specify an ending date, therefore, officials assume that lacking additional legislation the higher base pay resulting from the raises given in FY 2001 would continue in FY 2002 and beyond. Officials assume the cost of the proposal would therefore be multi-year.

Based on the City of St. Louis payroll records during FY 2000 and adjusted to assume a full strength force of 1,723 uniformed officers. The proposed legislation allows for an increase in the matrix amounts by a combined total of 8%, (5% in matrix plus provision for 3% additional). The resulting increase in the matrix can be compared to the existing matrix to arrive at a cumulative cost for the year. The anniversary date of hire that impact the matrix step are estimated to be normally distributed. The matrix step increases are estimated to cost about 62% of a full year's cost in the year in which they occur. Article XVIII, Section 31 of the City charter required that uniformed firefighters receive pay in parity with police officers. Cost estimates are summarized below:

	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
Uniformed Police			
Base Salary Increases	\$5.5 million	\$5.5 million	\$5.5 million
Matrix Step Increases	<u>0.7 million</u>	<u>1.8 million</u>	<u>2.9 million</u>
	\$6.2 million	\$7.3 million	\$8.4 million
Uniformed Firefighters			
Base Salary Increases	\$2.3 million	\$2.3 million	\$2.3 million
Matrix Step Increases	<u>0.3 million</u>	<u>0.7 million</u>	<u>1.3 million</u>
	2.6 million	3.0 million	3.6 million
Total Cost	<u>\$8.8 million</u>	<u>\$10.3 million</u>	<u>\$12.0 million</u>

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (12 Mo.)	FY 2002	FY 2003
<u>Costs to City of St. Louis</u>			
Police pay increase	(\$6,200,000)	(\$7,300,000)	(\$8,400,000)
Fire Department pay increase	(\$2,600,000)	(\$3,000,000)	(\$3,600,000)
TOTAL NET EFFECT TO CITY OF ST. LOUIS*	<u>(\$8,800,000)</u>	<u>(\$10,300,000)</u>	<u>(\$12,000,000)</u>

***Cost does not include pay increases for civilian personnel of the police department or increases in fringe benefits. The provisions of this proposal become effective on July 1, 2000**

DESCRIPTION

This act will establish a new pay schedule for St. Louis Police officers effective July 1, 2000.

This act also provides that the Board of Police Commissioners may provide additional compensation for commissioned employees not to exceed three percent of the maximum amount provided for in this act.

Funding for any additional compensation for sergeant and above shall not be paid from the general funds of either the City or the Board of Police Commissioners.

This act also abolishes the position of turnkey. This proposal has an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

L.R. NO. 3692-01
BILL NO. HB 1698
PAGE 4 OF 4
February 8, 2000

SOURCES OF INFORMATION

City of St. Louis - Budget Division

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive script.

Jeanne Jarrett, CPA
Director
February 8, 2000